

Senate File 2377 - Introduced

SENATE FILE _____
BY COMMITTEE ON LABOR AND
BUSINESS RELATIONS

(SUCCESSOR TO SSB 3044)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to unemployment insurance benefits and compliance
2 with federal law and including effective date and
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 5473SV 82
6 ak/rj/14

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1 1 Section 1. Section 96.3, subsection 5, Code 2007, is
1 2 amended to read as follows:
1 3 5. a. DURATION OF BENEFITS. The maximum total amount of
1 4 benefits payable to an eligible individual during a benefit
1 5 year shall not exceed the total of the wage credits accrued to
1 6 the individual's account during the individual's base period,
1 7 or twenty=six times the individual's weekly benefit amount,
1 8 whichever is the lesser. The director shall maintain a
1 9 separate account for each individual who earns wages in
1 10 insured work. The director shall compute wage credits for
1 11 each individual by crediting the individual's account with
1 12 one-third of the wages for insured work paid to the individual
1 13 during the individual's base period. However, the director
1 14 shall recompute wage credits for an individual who is laid off
1 15 due to the individual's employer going out of business at the
1 16 factory, establishment, or other premises at which the
1 17 individual was last employed, by crediting the individual's
1 18 account with one-half, instead of one-third, of the wages for
1 19 insured work paid to the individual during the individual's
1 20 base period. Benefits paid to an eligible individual shall be
1 21 charged against the base period wage credits in the
1 22 individual's account which have not been previously charged,
1 23 in the inverse chronological order as the wages on which the
1 24 wage credits are based were paid. However if the state "off
1 25 indicator" is in effect and if the individual is laid off due
1 26 to the individual's employer going out of business at the
1 27 factory, establishment, or other premises at which the
1 28 individual was last employed, the maximum benefits payable
1 29 shall be extended to thirty=nine times the individual's weekly
1 30 benefit amount, but not to exceed the total of the wage
1 31 credits accrued to the individual's account.

1 32 b. TRAINING EXTENSION BENEFITS. An individual who is in
1 33 training with the approval of the director at the time regular
1 34 benefits are exhausted may be eligible for training extension
1 35 benefits. The training extension benefit amount shall be
2 1 twenty=six times the individual's weekly benefit amount, and
2 2 the weekly benefit amount shall be equal to the individual's
2 3 weekly benefit amount for the claim in which benefits were
2 4 exhausted while in training. An individual who is receiving
2 5 training extension benefits shall not be denied benefits due
2 6 to application of section 96.4, subsection 3, or section 96.5,
2 7 subsection 3. However, an employer's account shall not be
2 8 charged with benefits so paid. Relief of charges under this
2 9 paragraph applies to both contributory and reimbursable
2 10 employers, notwithstanding section 96.8, subsection 5. In
2 11 order for the individual to be eligible for training extension
2 12 benefits all of the following criteria must be met:
2 13 (1) Training extension benefits end upon completion of the
2 14 training even though a portion of the training extension
2 15 benefit amount may remain, but the benefits shall not extend
2 16 beyond the end of the benefit year.

2 17 (2) The individual must be enrolled, participating in the
2 18 training, and making satisfactory progress to complete the
2 19 training.

2 20 (3) The individual is considered to be in training during
2 21 regularly scheduled vacation or recess periods of three weeks
2 22 or less but not during a summer vacation period or school
2 23 break which is longer than three weeks. If the individual
2 24 immediately returns to training after the summer vacation or
2 25 break period of longer than three weeks, the individual may
2 26 reopen the training extension claim. Otherwise, the
2 27 individual must be continuously in training in order to be
2 28 eligible for training extension benefits.

2 29 Sec. 2. Section 96.4, subsection 4, Code 2007, is amended
2 30 to read as follows:

2 31 4. a. The individual has been paid wages for insured work
2 32 during the individual's base period in an amount at least one
2 33 and one-quarter times the wages paid to the individual during
2 34 that quarter of the individual's base period in which the
2 35 individual's wages were highest; provided that the individual
3 1 has been paid wages for insured work totaling at least three
3 2 and five-tenths percent of the statewide average annual wage
3 3 for insured work, computed for the preceding calendar year if
3 4 the individual's benefit year begins on or after the first
3 5 full week in July and computed for the second preceding
3 6 calendar year if the individual's benefit year begins before
3 7 the first full week in July, in that calendar quarter in the
3 8 individual's base period in which the individual's wages were
3 9 highest, and the individual has been paid wages for insured
3 10 work totaling at least one-half of the amount of wages
3 11 required under this ~~subsection~~ paragraph in the calendar
3 12 quarter of the base period in which the individual's wages
3 13 were highest, in a calendar quarter in the individual's base
3 14 period other than the calendar quarter in which the
3 15 individual's wages were highest. The calendar quarter wage
3 16 requirements shall be rounded to the nearest multiple of ten
3 17 dollars.

3 18 b. For an individual who does not have sufficient wages in
3 19 the base period, as defined in section 96.19, to otherwise
3 20 qualify for benefits pursuant to this subsection, the
3 21 individual's base period shall be the last four completed
3 22 calendar quarters immediately preceding the first day of the
3 23 individual's benefit year if such period qualifies the
3 24 individual for benefits under this subsection.

3 25 (1) Wages that fall within the alternative base period
3 26 established under this paragraph "b" are not available for
3 27 qualifying benefits in any subsequent benefit year.

3 28 (2) Employers shall be charged in the manner provided in
3 29 this chapter for benefits paid based upon quarters used in the
3 30 alternative base period.

3 31 (3) The alternative base period in this paragraph "b"
3 32 shall apply to any new claim filed one hundred twenty days or
3 33 more after enactment of federal law providing for distribution
3 34 of funding relating to section 903 of the federal Social
3 35 Security Act and contingent in whole or in part upon state law
4 1 containing an alternative base period provision.

4 2 c. If the individual has drawn benefits in any benefit
4 3 year, the individual must during or subsequent to that year,
4 4 work in and be paid wages for insured work totaling at least
4 5 two hundred fifty dollars, as a condition to receive benefits
4 6 in the next benefit year.

4 7 Sec. 3. Section 96.5, subsection 1, Code Supplement 2007,
4 8 is amended by adding the following new paragraph:

4 9 NEW PARAGRAPH. b. The individual left employment to
4 10 accompany a spouse due to a change in location of the spouse's
4 11 employment to a place from which it is impractical for the
4 12 individual to commute. Benefits based upon wage credits
4 13 earned with the employer that the individual has left shall be
4 14 charged to the unemployment compensation fund for both
4 15 contributory and reimbursable employers, notwithstanding
4 16 section 96.8, subsection 5.

4 17 Sec. 4. Section 96.5, subsection 1, paragraph c, Code
4 18 Supplement 2007, is amended to read as follows:

4 19 c. ~~The individual left employment for the necessary and~~
4 20 ~~sole purpose of taking care of a member of the individual's~~
4 21 ~~immediate family who was then injured or ill, and if after~~
4 22 ~~said member of the family sufficiently recovered, the~~
4 23 ~~individual immediately returned to and offered the~~
4 24 ~~individual's services to the individual's employer, provided,~~
4 25 ~~however, that during such period the individual did not accept~~
4 26 ~~any other employment. The individual left employment as a~~
4 27 ~~result of the illness, injury, or disability of a member of~~

4 28 the individual's immediate family. The individual must
4 29 demonstrate a compelling need to leave employment and provide
4 30 medical evidence establishing the debilitating condition of
4 31 the immediate family member. Benefits based upon wage credits
4 32 earned with the employer that the individual has left shall be
4 33 charged to the unemployment compensation fund for both
4 34 contributory and reimbursable employers, notwithstanding
4 35 section 96.8, subsection 5.

5 1 Sec. 5. Section 96.5, subsection 1, Code Supplement 2007,
5 2 is amended by adding the following new paragraph:
5 3 NEW PARAGRAPH. k. The individual left employment due to
5 4 domestic abuse, as defined in section 236.2, or stalking, as
5 5 described in section 708.11, perpetrated against the
5 6 individual, and the individual reasonably believed such act
5 7 was necessary to protect the safety of the individual or the
5 8 individual's family. Benefits related to wage credits earned
5 9 with the employer that the individual has left shall be
5 10 charged to the unemployment compensation fund. This paragraph
5 11 applies to both contributory and reimbursable employers,
5 12 notwithstanding section 96.8, subsection 5. All evidence of
5 13 domestic abuse or stalking experienced by an individual,
5 14 including the individual's statement and any corroborating
5 15 evidence, shall not be disclosed by the department, except to
5 16 the parties in a contested benefit case proceeding and to the
5 17 employment appeal board or courts in an appeal or unless
5 18 consent for disclosure is granted in writing by the
5 19 individual. Evidence of domestic abuse or stalking may
5 20 include but is not limited to any of the following:

5 21 (1) A statement or report from a law enforcement agency or
5 22 professional, medical professional, mental health
5 23 professional, or domestic violence shelter or professional.

5 24 (2) Witness statements regarding an incident that causes
5 25 the individual to believe the individual's life or safety or
5 26 the life or safety of a member of the individual's family is
5 27 in danger.

5 28 Sec. 6. Section 96.23, subsection 2, Code 2007, is amended
5 29 to read as follows:

5 30 2. The individual did not receive wages from insured work
5 31 for two calendar quarters and did not receive wages from
5 32 insured work for another calendar quarter equal to or greater
5 33 than the amount required for a calendar quarter, other than
5 34 the calendar quarter in which the individual's wages were
5 35 highest, under section 96.4, subsection 4, paragraph "a".

6 1 Sec. 7. FUTURE APPROPRIATION OF FEDERAL FUNDS. Any funds
6 2 received by this state from the federal government pursuant to
6 3 section 903 of the federal Social Security Act as a result of
6 4 the enactment of this Act shall be appropriated by the general
6 5 assembly to the department of workforce development to be used
6 6 for the payment of unemployment insurance benefits or for the
6 7 administration of the Iowa employment security law, chapter
6 8 96, and public employment offices.

6 9 Sec. 8. EFFECTIVE AND APPLICABILITY DATES. The section of
6 10 this Act amending section 96.3 applies to any week of
6 11 unemployment benefits beginning on or after July 1, 2008. The
6 12 sections of this Act amending sections 96.4 and 96.5, except
6 13 for the portion of this Act enacting section 96.4, subsection
6 14 4, paragraph "b", take effect June 29, 2008, and apply to any
6 15 claim with an effective date on or after June 29, 2008.

6 16 EXPLANATION

6 17 This bill relates to unemployment insurance benefits and
6 18 brings Iowa into compliance with federal law in order to
6 19 receive additional federal funds.

6 20 The bill establishes a benefits extension for individuals
6 21 enrolled in a training program. Regular benefits must be
6 22 exhausted and the benefit amount shall be no more than 26
6 23 times the individual's weekly benefit amount. In order to
6 24 qualify for the training extension benefits, the following
6 25 criteria must be met: the benefits end when training is
6 26 completed and may not extend beyond the benefit year; the
6 27 individual must be enrolled, participating, and making
6 28 satisfactory progress in the training; and the individual
6 29 shall be considered in training during regular vacation or
6 30 recess breaks of three weeks or less but not during a summer
6 31 vacation or break of three weeks or longer.

6 32 An alternate method of calculating the base period, to
6 33 determine the monetary attachment to the workforce eligibility
6 34 of individuals for unemployment benefits, is also included for
6 35 cases where the current method of calculation makes an
7 1 individual ineligible for unemployment benefits. The bill
7 2 moves the base period closer, by one quarter, to the benefit
7 3 claim filing date so that the base period would consist of the

7 4 first four calendar quarters immediately preceding the
7 5 calendar quarter in which the claim for unemployment benefits
7 6 is filed if doing so would qualify the individual for
7 7 benefits. This alternative base period applies only to claims
7 8 filed 120 or more days after the enactment of federal law
7 9 relating to the federal Social Security Act, section 903,
7 10 which distributes federal funds based on this alternative base
7 11 period.

7 12 The bill provides for benefits to an individual who leaves
7 13 a job to accompany a spouse due to a change of location of the
7 14 spouse's employment to a place where commuting for the
7 15 individual is not practical. The bill provides for benefits
7 16 to an individual who leaves a job as a result of the illness,
7 17 injury, or disability of a member of the individual's
7 18 immediate family.

7 19 The bill allows an individual to collect unemployment
7 20 benefits due to domestic violence or stalking under certain
7 21 circumstances. The bill requires the department to keep the
7 22 record confidential to protect the safety of the individual.

7 23 An employer is relieved of charges of unemployment benefits
7 24 paid due to claims for training extension benefits, displaced
7 25 spouses, individuals with an injured or sick family member, or
7 26 victims of domestic abuse or stalking.

7 27 The bill also directs any possible future federal funds as
7 28 a result of the bill to be appropriated to the department for
7 29 the payment of unemployment insurance benefits or for the
7 30 administration of the Iowa employment security law under Code
7 31 chapter 96 and public employment offices.

7 32 The effective and applicability date of the bill section
7 33 providing training extension benefits begins on or after July
7 34 1, 2008. Sections of the bill allowing a displaced spouse to
7 35 collect benefits, allowing an individual who leaves employment
8 1 due to a family member's injury or illness to collect
8 2 benefits, and allowing a victim of domestic abuse or stalking
8 3 forced to leave employment to collect benefits become
8 4 effective and applicable to any claim effectively filed on or
8 5 after June 29, 2008.

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